

Faction Registry
O-3396

25 February 1949 *Dell*

INFORMATION MEMORANDUM FOR: Assistant Director, ORE

SUBJECT: Hoover Commission's Report to Congress on Foreign Affairs

1. You will probably be interested in Recommendation No. 18 of the Hoover Commission's Report to Congress on Foreign Affairs, if you did not already read it in the February 22nd issue of the New York Times. The Government Printing Office has now issued a 77 page booklet on this Foreign Affairs Report (for twenty-five cents). Since Dean Acheson was the Vice President of the Hoover Commission, and is now the Secretary of State, I should say the chances were excellent, for this Report at any rate, being put into effect, and those sections of it not requiring special legislation, being put into effect soon. Pages 56-59:

Recommendation No. 18:

"THE CENTRALIZED INTELLIGENCE UNIT IN THE STATE DEPARTMENT SHOULD BE REORGANIZED AND REORIENTED, AND INTELLIGENCE ADVISERS SHOULD BE ASSIGNED TO THE REGIONAL ACTION UNITS.

"The present misconception of the intelligence needs of the State Department must be eradicated. The creation of revitalized regional units on the action side should tend to correct the current deplorable attitude of the existing geographic offices toward intelligence. The reorientation of the centralized intelligence activities by de-emphasis of academic research and increased attention on current estimates and evaluations and to serving and making use of the Central Intelligence Agency is required. At present, except for the Special Projects Staff, the Biographic Information Division, and the routine library, reference and collection functions, the existing intelligence unit appears to expend too much of its energies on projects which do not contribute sufficiently to the main work of the State Department.

"The task force report contemplates the decentralization of the present area research personnel as intact units to the four new regional action units. This move would involve almost 5 percent of the personnel of the entire Department.

"The Commission is not in favor of this step.

"It is recognized, however, that the new regional units, as self-contained line organizations, will need intelligence advisers just as they also need economic and social advisers. These regional intelligence advisers should perform staff functions within the action units and should not themselves engage in research work. Their responsibilities should be to understand the foreign policy problems of the action units, to recommend particular intelligence research projects to the central intelligence unit, and to follow up on the performance of such research by the central unit. In addition, they

should assist the central unit in the preparation of "political" estimates for the Central Intelligence Agency and for other departments. It is recommended that these regional intelligence advisers be assigned to the regional units from the present research divisions.

"The really significant intelligence needs of the Department must be met on a centralized basis. This central unit, under a Special Assistant to the Secretary as at present, should occupy a dual position. In relation to the intelligence advisers in the regional units, the central unit should be both a source of general intelligence guidance and a channel of communication with the Central Intelligence Agency and the intelligence organizations of other departments. As an intelligence unit itself it should be a device by which the Secretary and Under Secretary can obtain expert evaluations and check on information coming from the action units.

"The Planning Adviser in particular should make full use of the Special Assistant and of his central staff in connection with his planning activities. For this task the Special Assistant should build up a group of mature individuals with high talent in analysis and evaluation, who should have full access to all information coming into the Department. This group must be supported by a body of skilled researchers.

"The central unit should not, however, seek to monitor all information coming into the State Department from abroad, but should concentrate on tasks assigned to it by the Secretary, the Under Secretary, and the Planning Adviser, and on issues raised through its relations with the Central Intelligence Agency. It should continue to include, of course, the library, reference and collection functions, but should be organized internally so that the Special Assistant does not have to devote the bulk of his time to administrative and supervisory duties.

"A prime responsibility of the chief of the intelligence unit is in relation to the Central Intelligence Agency and the intelligence units of other departments. He should be responsible for setting up effective machinery by which the Central Intelligence Agency and the other departments can obtain "Political" estimates from the State Department. Conversely, he must see to it that the State Department gets evaluations and other data from the Central Intelligence Agency and the other departments which are useful to the State Department in formulating its policies and programs. In part he should be able to do this through membership on the Intelligence Advisory Committee. In these various ways he will be better able to make evaluations for the top command of the State Department and, in particular, to check on the recommendations of the regional units."

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PRESCOTT CHILDS